

KLDC

KINGSTON LOCAL DEVELOPMENT CORPORATION

Hon. Shayne R. Gallo, President

Jennifer J. Fuentes, Executive Director

MEMORANDUM "SPECIAL MEETING"

BOARD OF DIRECTORS - KINGSTON LOCAL DEVELOPMENT CORPORATION
JAMES NOBLE, CITY OF KINGSTON ALDERMAN AT LARGE
CARLY WILLIAMS, CITY CLERK
JENNIFER J. FUENTES, KLDC EXECUTIVE DIRECTOR / COMMUNITY DEVELOPMENT EXECUTIVE
AMANDA L. BRUCK-LITTLE, KLDC RECORDING SECRETARY / ADMINISTRATIVE ASSISTANT
GREGG H. SWANZEY, DIRECTOR OF ECONOMIC DEVELOPMENT FOR STRATEGIC PARTNERSHIP
SUZANNE CAHILL, CITY PLANNER
BRENNAN L. ROBINSON, ECONOMIC DEVELOPMENT COORDINATOR / ZONE COORDINATOR EZ
MICHAEL F. JORDAN, ESQ., COUNSEL KLDC
DANIEL MARSH III, NATIONAL DEVELOPMENT COUNCIL DIRECTOR
DAILY FREEMAN, 79 HURLEY AVENUE, KINGSTON, NY 12401
WKNY, PO BOX 1398, KINGSTON, NY 12402
WGHQ, 82 JOHN STREET, KINGSTON, NY 12401
BRIAN JONES, WPHD/WCZX/WEOK/WRRV, PO BOX 416, POUGHKEEPSIE, NY 12602
POSTMASTER, KINGSTON PO BOX 9998, KINGSTON, NY 12402-9998

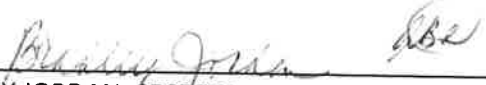
FROM: SHAYNE R. GALLO, MAYOR/PRESIDENT OF KLDC BOARD OF DIRECTORS

RE: KINGSTON LOCAL DEVELOPMENT CORPORATION BOARD MEETING

Please be advised that a meeting of the Kingston Local Development Corporation will be held at **8:00 a.m., Thursday, July 22, 2012**. Said meeting will be held in the Mayor's Conference Room, City Hall, 420 Broadway, Kingston, NY 12401.

AFFIDAVIT OF MEETING:

I, Bradley Jordan, Secretary for the Board of Directors of the Kingston Local Development Corporation, did on the **9th day of July, 2012** mail this notice to the individuals listed above. Mailing was accomplished by sealing said notice in an envelope and depositing same, with postage thereon, full pre-paid, with the United States Post Office.


BRADLEY JORDAN, SECRETARY

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July 27, 2012

SPECIAL MEETING REGARDING FORMER BANK OF AMERICA BUILDING

PRESENT:

BOARD MEMBERS - President Gallo, Vice President Dwyer, Secretary Jordan, Fitzgerald, Potter, Rev. Childs, & Turco-Levin

KLDC EXECUTIVE DIRECTOR / COMMUNITY DEVELOPMENT EXECUTIVE DIRECTOR - Fuentes

KLDC PORTFOLIO MANAGER / ECONOMIC DEVELOPMENT COORDINATOR - Robinson

KLDC ATTORNEY - M. Jordan

NATIONAL DEVELOPMENT COUNCIL CONSULTANT - D. Marsh

ABSENT:

BOARD MEMBERS - Treasurer Mills, Mathews & Reinhardt

RECORDING SECRETARY / ADMINISTRATIVE ASSISTANT - Bruck-Little

CITY PLANNER - Cahill

ECONOMIC DEVELOPMENT AND STRATEGIC PARTNERSHIP DIRECTOR - Swanzey

Meeting was called to order by President Gallo at 9:30 am.

Ms. Fuentes explained to the Board the purpose of the meeting was to determine the Board's willingness to accept Bank of America's ("the Bank") proposed donation of the building located at 635 Broadway, and to use the site to relocate the City of Kingston's police department.

Ms Potter inquired as to whether this would be an outright donation and whether or not there would be any specific requirements the Board must meet in order to take ownership. President Gallo stated it would be a donation without any restrictions defined by the Bank's offer. Dan Marsh elaborated further, stating that the structure of the donation would not allow for the restrictions Ms. Potter inquired about, as defined by the IRS, and that the agreement to be written by Corporation Counsel would include specific language to allow the Board to dispose of the building as it chooses. In addition, Mr. Marsh explained that it is simpler for the KLDC to accept the building, manage the rehabilitation, and if necessary, to sell the property. The City would have more difficulty disposing of the property if the police department project did not go forward.

Mr. Marsh explained that the funds for the project may be borrowed or raised by the City or by the KLDC, but the City would ultimately be responsible for the building and the project and the KLDC would simply be a passive landlord, indemnified by the City. A discussion was held regarding several options for funding the project, but President Gallo stated this was only the first step and there would need to be additional discussion for determining the best funding options.

President Gallo stated that Scott Dutton and Dennis Larios have provided architectural and engineering assistance free of charge, to help determine the cost of the police department project; Police Chief Tinti is working to finalize the plans with Mr. Dutton; Congressman Gibson is working on revising a legislatively defined population limit to allow the City to apply for Community Facilities grant funding from the USDA;

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and due diligence, cost estimates and funding opportunities would take place over the next three weeks.

Ms. Potter asked if the donation required Common Council approval. President Gallo explained that was not necessary at this time, although the Common Council and community would be involved in the development of the police department project as it progressed.

Ms. Potter inquired whether the KLDC would be held to the current assessed value of \$1.7 million, should the Board decide to sell the building, and whether the Bank would use that same value in filing the donation. Mr. Marsh explained that once the building was donated, any disposition would be at fair market value. Also, he explained that the Bank may use whatever number it decides, but must justify that value to the IRS, and the Bank's decision would have no effect on or implications to the KLDC's valuation.

Mr. Fitzgerald stated he now understood the Board's responsibilities in these initial steps for the donation and the KLDC's taking ownership of the building.

Rev. Childs stated he came into the meeting with no knowledge of the situation, but was now satisfied with the Board's plan to take ownership of the building.

Vice President Dwyer thanked those involved for their efforts to acquire the building and stated the building renovation and the police department project would improve the whole City's economic health.

A motion to take possession of the building was made by Ms. Turco-Levin and seconded by Vice President Dwyer. Motion carried.

Ms. Potter requested a special meeting be scheduled, outside of the regular KLDC monthly Board meeting, to review the next steps in the process, as it will be a lengthy discussion. President Gallo agreed and Ms. Fuentes stated she would contact Board members to schedule said meeting.

Mr. M. Jordan asked if he was authorized to begin the title search for the building, and President Gallo indicated that Mr. M. Jordan should start that process immediately.

Mr. Fitzgerald inquired whether the parking lot located behind the Safeco building at 642 Broadway was included in the Bank's donation, as that parcel was historically part of the Bank's facilities. President Gallo stated it was included.

At 10:02 am a motion to adjourn was made by Vice President Dwyer. Seconded by Ms. Turco-Levin. Motion carried.

Respectively Submitted,



Amanda L. Bruck-Little
Recording Secretary